WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1980

ENROLLED
SENATE BILL NO. 242

(By Mr. Rogers)

PASSED March 8, 1980
In Effect from Passage
AN ACT to amend and reenact section six, article two, chapter thirty-one-a of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to requiring the commissioner of banking to make an examination of every financial institution at least once every eighteen months.

Be it enacted by the Legislature of West Virginia:

That section six, article two, chapter thirty-one-a of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

ARTICLE 2. DEPARTMENT OF BANKING.

§31A-2-6. Commissioner's examinations of financial institution; reports; records; communications from commissioner to institution; examination by federal agency in lieu of commissioner's examination.

The commissioner of banking shall make, at least once every eighteen months, a thorough examination of all the books, accounts, records and papers of every financial institution. He shall carefully examine all of the assets of each such institution, including its notes, drafts, checks, mortgages, securities deposited to assure the payment of debts unto it, and all papers, documents and records showing, or in any manner relating to, its business affairs, and shall ascertain the full amount and the nature in detail of all of its assets and liabilities. The commissioner may also make such examination of any subsidiaries or affiliates of a financial institution as
he may deem necessary to ascertain the financial condition of such financial institution, the relations between such financial institution and its subsidiaries and affiliates and the effect of such relations upon the affairs of such financial institution. A full report of every such examination shall be made and filed and preserved in the office of the commissioner and a copy thereof forthwith mailed to the institution examined. Every such institution shall retain all of its records of final entry for such period of time as required in section thirty-five, article four of this chapter for banking institutions.

Every official communication from the commissioner to any such institution, or to any officer thereof, relating to an examination or an investigation of the affairs of such institution conducted by the commissioner or containing suggestions or recommendations as to the manner of conducting the business of the institution, shall be read to the board of directors at the next meeting after the receipt thereof, and the president, or other executive officer, of the institution shall forthwith notify the commissioner in writing of the presentation and reading of such communication and of any action taken thereon by the institution.

The commissioner of banking, in his discretion, may (a) accept a copy of a reasonably current examination of any banking institution made by the federal deposit insurance corporation or the federal reserve system in lieu of an examination of such banking institution required or authorized to be made by the laws of this state, and the commissioner may furnish to the federal deposit insurance corporation or the federal reserve system or to any official or examiner thereof, any copy or copies of the commissioner's examinations of and reports on such banking institutions, (b) accept a copy of a reasonably current examination of any building and loan association made by the federal home loan bank board, a federal home loan bank or the federal savings and loan insurance corporation, in lieu of an examination of such building and loan association required or authorized to be made by the laws of this state, and the commissioner may furnish to the federal
home loan bank or any of its member banks or to the
federal savings and loan insurance corporation or any
official or examiner thereof, any copy or copies of the
commissioner's examination and reports on such build-
ing and loan associations; but nothing herein shall be
construed to limit the duty and responsibility of banking
institutions or building and loan associations to comply
with all provisions of law relating to examinations and
reports, nor to limit the powers and authority of the
commissioner of banking with reference to examina-
tions and reports under existing laws.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

James L. Davis
Chairman Senate Committee

[Signature]
Chairman House Committee

Originated in the Senate.

To take effect from passage.

[Signature]
Clerk of the Senate

[Signature]
Clerk of the House of Delegates

[Signature]
President of the Senate

[Signature]
Speaker House of Delegates

The within ___________________ this the ________

day of _______________, 1980.

[Signature]
Governor